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**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.: 2007-0993-AIR-E TCEQ ID: RN102320850 CASE NO.: 33902**  
**RESPONDENT NAME: Chevron Phillips Chemical Company LP**

<b>ORDER TYPE:</b>		
<input checked="" type="checkbox"/> <b>1660 AGREED ORDER</b>	<input type="checkbox"/> <b>FINDINGS AGREED ORDER</b>	<input type="checkbox"/> <b>FINDINGS ORDER FOLLOWING SOAH HEARING</b>
<input type="checkbox"/> <b>FINDINGS DEFAULT ORDER</b>	<input type="checkbox"/> <b>SHUTDOWN ORDER</b>	<input type="checkbox"/> <b>IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER</b>
<input type="checkbox"/> <b>AMENDED ORDER</b>	<input type="checkbox"/> <b>EMERGENCY ORDER</b>	
<b>CASE TYPE:</b>		
<input checked="" type="checkbox"/> <b>AIR</b>	<input type="checkbox"/> <b>MULTI-MEDIA (check all that apply)</b>	<input type="checkbox"/> <b>INDUSTRIAL AND HAZARDOUS WASTE</b>
<input type="checkbox"/> <b>PUBLIC WATER SUPPLY</b>	<input type="checkbox"/> <b>PETROLEUM STORAGE TANKS</b>	<input type="checkbox"/> <b>OCCUPATIONAL CERTIFICATION</b>
<input type="checkbox"/> <b>WATER QUALITY</b>	<input type="checkbox"/> <b>SEWAGE SLUDGE</b>	<input type="checkbox"/> <b>UNDERGROUND INJECTION CONTROL</b>
<input type="checkbox"/> <b>MUNICIPAL SOLID WASTE</b>	<input type="checkbox"/> <b>RADIOACTIVE WASTE</b>	<input type="checkbox"/> <b>DRY CLEANER REGISTRATION</b>
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Philtex Ryton Plant, approximately 3 miles northeast of Borger on State Highway Spur 119, Hutchinson County</p> <p><b>TYPE OF OPERATION:</b> Chemical manufacturing plant</p> <p><b>SMALL BUSINESS:</b>    <input type="checkbox"/> Yes    <input checked="" type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on December 10, 2007. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b> TCEQ Attorney/SEP Coordinator: Ms. Melissa Keller, SEP Coordinator, Enforcement Division, MC 219, (512) 239-1768 TCEQ Enforcement Coordinator: Ms. Lindsey Jones, Enforcement Division, Enforcement Team 4, (512) 239-4930, MC 149; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171 Respondent: Mr. John Edgington, Q.E.P., Environmental Team, Chevron Phillips Chemical Company LP, PO Box 968, Borger, Texas 79008-0968 Mr. D.P. Digman, Plant Manager, Chevron Phillips Chemical Company LP, P.O. Box 968, Borger, Texas 79008-0968 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input checked="" type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> February 15 through 16, 2007</p> <p><b>Date of NOV/NOE Relating to this Case:</b> May 18, 2007 (NOE)</p> <p><b>Background Facts:</b> This was a routine investigation. Four violations were documented.</p> <p><b>AIR</b></p> <p>1) Failure to note the date and time of each Audio, Visual, and Olfactory ("AVO") check for hydrogen sulfide leaks in the operator's log. Specifically, the date and time of the AVO inspections were not noted on six inspections between May 23, 2005 and May 5, 2006 [30 TEX. ADMIN. CODE § 116.115(c); Permit No. 7719A, Special Condition No. 8D; and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>2) Failure to report in writing all instances of deviations to the Executive Director. Specifically, ten deviations were omitted from three semi-annual deviation reports (reporting periods ending August 3, 2005, February 3, 2006, and August 3, 2006). Five of the omitted deviations pertained to recordable emission events, and the other five omitted deviations pertained to the unauthorized release of hydrogen sulfide from wastewater [30 TEX. ADMIN. CODE § 122.145(2) and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>3) Failure to obtain permit authorization prior to the construction or modification of a facility which may emit air contaminants. Specifically, the Respondent failed to include the atmospheric pressure-maintenance vent on Tank No. 95-Y172 as an emission source of hydrogen sulfide on New Source Review Permit No. 7719A</p>	<p><b>Total Assessed:</b> \$44,361</p> <p><b>Total Deferred:</b> \$8,872  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$17,744</p> <p><b>Total Paid to General Revenue:</b> \$17,745</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p>	<p><b>Corrective Actions Taken:</b></p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:</p> <p>a. Met with operators to discuss importance of proper documentation of AVO leak checks in the operator's log by August 24, 2006;</p> <p>b. Submitted corrected semi-annual deviation reports to include the previously omitted deviations by August 24, 2006;</p> <p>c. Increased vent settings for the pressure-maintenance system for Tank No. 95-Y172 closer to the relief valve setting for the tank to prevent venting during normal operation by February 2, 2006; and</p> <p>d. Amended Permit No. 7719A to include emissions from wastewater that were omitted from the previous permit application by July 16, 2007.</p>

<p>[30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH &amp; SAFETY Code §§ 382.0518(a) and 382.085(b)].</p> <p>4) Failure to obtain permit authorization prior to the construction or modification of a facility which may emit air contaminants. Specifically, the Respondent failed to include hydrogen sulfide emissions from process wastewater in its New Source Review Permit No. 7719A [30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH &amp; SAFETY CODE §§ 382.0518(a) and 382.085(b)].</p>		
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Additional ID No(s): HW0013C



**Attachment A**  
**Docket Number: 2007-0993-AIR-E**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Chevron Phillips Chemical Company LP</b>
<b>Payable Penalty Amount:</b>	<b>Thirty-Five Thousand Four Hundred Eighty-Nine Dollars (\$35,489)</b>
<b>SEP Amount:</b>	<b>Seventeen Thousand Seven Hundred Forty-Four Dollars (\$17,744)</b>
<b>Type of SEP:</b>	<b>Pre-approved</b>
<b>Third-Party Recipient:</b>	<b>Texas Association of Resource Conservation and Development Areas, Inc. ("RC&amp;D")- Unauthorized Trash Dump Clean-Up</b>
<b>Location of SEP:</b>	<b>Hutchinson County</b>

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

**A. Project**

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to coordinate with city and/or county governmental officials regarding the clean up of sites where trash has been disposed of illegally. Eligible sites will be limited to those where a responsible party can not be identified and where there is no pre-existing obligation to clean up the site by the owner or the government. Additionally, reasonable efforts must have already been taken to prevent the dumping. SEP monies will be used to pay for the direct cost of collection and disposal of debris. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

**B. Environmental Benefit**

This SEP will provide a discernible environmental benefit by helping rid communities of the dangers and health threats associated with non-regulated trash dumps which contaminate air and water, and harbor disease carrying animals and insects.



C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Texas Association of Resource Conservation and Development Areas, Inc.  
1716 Briarcrest Drive, Suite 510  
Bryan, Texas 77802-2700

**3. Records and Reporting**

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division  
Attention: SEP Coordinator, MC 219  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Texas Commission on Environmental Quality  
Financial Administration Division, Revenues  
Attention: Cashier, MC 214  
P.O. Box 13088  
Austin, Texas 78711-3088

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.





**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.





# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision May 25, 2007

TCEQ

DATES	Assigned	21-May-2007	Screening	7-Jun-2007	EPA Due	11-Feb-2008
	PCW	8-Jun-2007				

## RESPONDENT/FACILITY INFORMATION

Respondent	Chevron Phillips Chemical Company LP		
Reg. Ent. Ref. No.	RN102320850		
Facility/Site Region	1-Amarillo	Major/Minor Source	Major

## CASE INFORMATION

Enf./Case ID No.	33902	No. of Violations	4
Docket No.	2007-0993-AIR-E	Order Type	1660
Media Program(s)	Air	Enf. Coordinator	Lindsey Jones
Multi-Media		EC's Team	EnforcementTeam 4
Admin. Penalty \$	Limit Minimum	\$0	Maximum
			\$10,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** \$15,900

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

**Compliance History** **Subtotals 2, 3, & 7** \$30,369

191% Enhancement

Notes

The penalty was enhanced due to one prior same or similar NOV, eight prior dissimilar NOVs, six prior 1660-style agreed orders, one court order with a denial of liability, and one Federal enforcement order without a denial of liability. The penalty was reduced due to five NOAs.

Culpability

No

0% Enhancement

**Subtotal 4** \$0

Notes

The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply

10% Reduction

**Subtotal 5** \$1,590

Before NOV      NOV to EDPRP/Settlement Offer

Extraordinary	
Ordinary	X
N/A	(mark with x)

Notes

The Respondent came into compliance by July 16, 2007.

0% Enhancement\*

**Subtotal 6** \$0

Total EB Amounts	\$592
Approx. Cost of Compliance	\$4,000

\*Capped at the Total EB \$ Amount

### SUM OF SUBTOTALS 1-7

**Final Subtotal** \$44,679

### OTHER FACTORS AS JUSTICE MAY REQUIRE

-1%

**Adjustment** -\$318

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes

Recommended reduction in the penalty to prevent double-enhancement of the penalty amount for same violations that were not self-reported.

**Final Penalty Amount** \$44,361

### STATUTORY LIMIT ADJUSTMENT

**Final Assessed Penalty** \$44,361

### DEFERRAL

20%

Reduction

**Adjustment** -\$8,872

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

### PAYABLE PENALTY

**\$35,489**

Screening Date 7-Jun-2007

Docket No. 2007-0993-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 33902

PCW Revision May 25, 2007

Reg. Ent. Reference No. RN102320850

Media [Statute] Air

Enf. Coordinator Lindsey Jones

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	1	5%
	Other written NOVs	8	16%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	6	120%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgments or consent decrees meeting criteria)	1	30%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	5	-5%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 191%

## &gt;&gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

## Compliance History Notes

The penalty was enhanced due to one prior same or similar NOV, eight prior dissimilar NOVs, six prior 1660 style agreed orders, one court order with a denial of liability, and one Federal enforcement order without a denial of liability. The penalty was reduced due to five NOAs.

Total Adjustment Percentage (Subtotals 2, 3, &amp; 7) 191%

Screening Date 7-Jun-2007

Docket No. 2007-0993-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 33902

PCW Revision May 25, 2007

Reg. Ent. Reference No. RN102320850

Media [Statute] Air

Enf. Coordinator Lindsey Jones

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.115(c); Permit No. 7719A, Special Condition No. 8D; and Tex. Health &amp; Safety Code § 382.085(b)

Violation Description Failed to note the date and time of each audio, visual, and olfactory ("AVO") check for hydrogen sulfide leaks in the operator's log. Specifically, the date and time of the AVO inspections were not noted on six inspections between May 23, 2005 and May 5, 2006.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0%
	Potential				

## &gt;&gt; Programmatic Matrix

OR	Falsification	Harm			Percent
		Major	Moderate	Minor	
				x	1%

Matrix Notes

Less than 30% of the rule requirement was not met.

Adjustment \$9,900

\$100

## Violation Events

Number of Violation Events 6 Number of violation days 4

mark only one with an x	daily	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$600

Six single events are recommended based on the missing information for six investigations.

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$16

Violation Final Penalty Total \$1,674

This violation Final Assessed Penalty (adjusted for limits) \$1,674

**Economic Benefit Worksheet**

Respondent Chevron Phillips Chemical Company LP

Case ID No. 33902

Reg. Ent. Reference No. RN102320850

Media Air

Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

**Delayed Costs**

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System	\$250	23-May-2005	24-Aug-2006	1.3	\$16	n/a	\$16
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to procure proper record keeping procedures designed to ensure complete and proper notation on AVO reports. Date required is the first date of non-compliance and the final date is the date training was completed.

**Avoided Costs**

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$250

TOTAL

\$16

Screening Date 7-Jun-2007

Docket No. 2007-0993-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 33902

PCW Revision May 25, 2007

Reg. Ent. Reference No. RN102320850

Media [Statute] Air

Enf. Coordinator Lindsey Jones

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code § 122.145(2) and Tex. Health &amp; Safety Code § 382.085(b)

Violation Description

Failed to report in writing all instances of deviations to the Executive Director. Specifically, ten deviations were omitted from three semi-annual deviation reports (reporting periods ending August 3, 2005, February 3, 2006, and August 3, 2006). Five of the omitted deviations pertained to recordable emission events, and the other five omitted deviations pertained to the unauthorized release of hydrogen sulfide from wastewater.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

## &gt;&gt; Programmatic Matrix

Falsification			
	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes

Less than 30% of the rule requirement was not met.

Adjustment \$9,900

\$100

## Violation Events

Number of Violation Events 3

3 Number of violation days

mark only one  
with an x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$300

Three single events are recommended based on the three semi-annual deviation reports.

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$93

Violation Final Penalty Total \$837

This violation Final Assessed Penalty (adjusted for limits) \$837

**Economic Benefit Worksheet**

Respondent: Chevron Phillips Chemical Company LP

Case ID No. 33902

Reg. Ent. Reference No. RN102320850

Media Air

Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

**Delayed Costs**

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System	\$750	5-Mar-2004	24-Aug-2006	2.5	\$93	n/a	\$93
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to procure proper record keeping procedures designed to submit final reports on time. Date required is the date the first deviations should have been reported and the final date is the date of compliance.

**Avoided Costs**

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$750

TOTAL

\$93



Screening Date 7-Jun-2007

Docket No. 2007-0993-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 33902

PCW Revision May 25, 2007

Reg. Ent. Reference No. RN102320850

Media [Statute] Air

Enf. Coordinator Lindsey Jones

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code § 116.110(a) and Tex. Health &amp; Safety Code §§ 382.0518(a) and 382.085(b)

## Violation Description

Failed to obtain permit authorization prior to the construction or modification of a facility which may emit air contaminants. Specifically, Chevron Phillips failed to include the atmospheric pressure-maintenance vent on tank 95-Y172 as an emission source of hydrogen sulfide on New Source Review Permit No. 7719A.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 25%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$7,500

\$2,500

## Violation Events

Number of Violation Events 2

182 Number of violation days

mark only one  
with an x

daily	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$5,000

Two quarterly events are recommended from the start of the deviation reporting period in which the violation was self-reported (August 4, 2005) to the date of compliance (February 2, 2006).

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$188

Violation Final Penalty Total \$13,950

This violation Final Assessed Penalty (adjusted for limits) \$13,950

**Economic Benefit Worksheet**

Respondent: Chevron Phillips Chemical Company LP

Case ID No. 33902

Reg. Ent. Reference No. RN102320850

Media Air

Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Item Description	No commas or \$					

**Delayed Costs**

Equipment			0.0	\$0	\$0	\$0
Buildings			0.0	\$0	\$0	\$0
Other (as needed)			0.0	\$0	\$0	\$0
Engineering/construction			0.0	\$0	\$0	\$0
Land			0.0	\$0	n/a	\$0
Record Keeping System			0.0	\$0	n/a	\$0
Training/Sampling			0.0	\$0	n/a	\$0
Remediation/Disposal			0.0	\$0	n/a	\$0
Permit Costs	\$1,500	4-Aug-2003	2-Feb-2006	2.5	\$188	\$188
Other (as needed)			0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to amend the permit to include hydrogen sulfide emissions from tank no. 95-Y172. Date required is the date the permit was issued. Final date is the date the tank operation was adjusted to prevent emissions during normal operation.

**Avoided Costs**

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal			0.0	\$0	\$0	\$0
Personnel			0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling			0.0	\$0	\$0	\$0
Supplies/equipment			0.0	\$0	\$0	\$0
Financial Assurance [2]			0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]			0.0	\$0	\$0	\$0
Other (as needed)			0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,500

TOTAL

\$188

**Screening Date** 7-Jun-2007**Docket No.** 2007-0993-AIR-E**PCW****Respondent** Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

**Case ID No.** 33902

PCW Revision May 25, 2007

**Reg. Ent. Reference No.** RN102320850**Media [Statute]** Air**Enf. Coordinator** Lindsey Jones**Violation Number** 4**Rule Cite(s)** 30 Tex. Admin. Code § 116.110(a) and Tex. Health & Safety Code §§ 382.0518(a) and 382.085(b)**Violation Description**

Failed to obtain permit authorization prior to the construction or modification of a facility which may emit air contaminants. Specifically, Chevron Phillips failed to include hydrogen sulfide emissions from process wastewater in its New Source Review Permit No. 7719A.

**Base Penalty** \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

**Percent** 0%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

**Percent** 25%**Matrix Notes**

100% of the rule requirement was not met.

**Adjustment** \$7,500

\$2,500

## Violation Events

**Number of Violation Events** 4112 **Number of violation days**

mark only one with an x	daily	
	monthly	x
	quarterly	
	semiannual	
	annual	
	single event	

**Violation Base Penalty** \$10,000

Four monthly events are recommended from the start of the investigation (February 15, 2007) to the screening date (June 7, 2007).

**Economic Benefit (EB) for this violation****Statutory Limit Test****Estimated EB Amount** \$296**Violation Final Penalty Total** \$27,900**This violation Final Assessed Penalty (adjusted for limits)** \$27,900

**Economic Benefit Worksheet**

Respondent Chevron Phillips Chemical Company LP

Case ID No. 33902

Reg. Ent. Reference No. RN102320850

Media Air

Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

**Delayed Costs**

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs	\$1,500	4-Aug-2003	16-Jul-2007	4.0	\$296	n/a	\$296
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to amend the permit to include hydrogen sulfide emissions from wastewater. Date required is the date the permit was issued. Final date is the date the amended permit was approved.

**Avoided Costs**

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,500

TOTAL

\$296

# Compliance History

Customer/Respondent/Owner-Operator:	CN600303614	Chevron Phillips Chemical Company LP	Classification: AVERAGE	Rating: 3.74
Regulated Entity:	RN102320850	PHILTEX RYTON PLANT	Classification: AVERAGE	Site Rating: 15.01
ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD041516709	
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30131	
	INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50254	
	INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50254	
	INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50018	
	AIR NEW SOURCE PERMITS	PERMIT	39927	
	AIR NEW SOURCE PERMITS	PERMIT	40813	
	AIR NEW SOURCE PERMITS	PERMIT	41609	
	AIR NEW SOURCE PERMITS	PERMIT	45470	
	AIR NEW SOURCE PERMITS	PERMIT	45708	
	AIR NEW SOURCE PERMITS	PERMIT	46022	
	AIR NEW SOURCE PERMITS	PERMIT	46698	
	AIR NEW SOURCE PERMITS	PERMIT	47618	
	AIR NEW SOURCE PERMITS	PERMIT	47873	
	AIR NEW SOURCE PERMITS	PERMIT	48389	
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HW0013C	
	AIR NEW SOURCE PERMITS	PERMIT	7172	
	AIR NEW SOURCE PERMITS	PERMIT	7173A	
	AIR NEW SOURCE PERMITS	PERMIT	7719A	
	AIR NEW SOURCE PERMITS	PERMIT	8144A	
	AIR NEW SOURCE PERMITS	PERMIT	3251A	
	AIR NEW SOURCE PERMITS	PERMIT	18508	
	AIR NEW SOURCE PERMITS	PERMIT	19952	
	AIR NEW SOURCE PERMITS	PERMIT	20304	
	AIR NEW SOURCE PERMITS	PERMIT	21918	
	AIR NEW SOURCE PERMITS	PERMIT	31409	
	AIR NEW SOURCE PERMITS	PERMIT	55433	
	AIR NEW SOURCE PERMITS	AFS NUM	4823300004	
	AIR NEW SOURCE PERMITS	REGISTRATION	70021	
	AIR NEW SOURCE PERMITS	PERMIT	71299	
	AIR NEW SOURCE PERMITS	PERMIT	50537	
	AIR NEW SOURCE PERMITS	PERMIT	54297	
	AIR NEW SOURCE PERMITS	PERMIT	53267	
	AIR NEW SOURCE PERMITS	PERMIT	53320	
	AIR NEW SOURCE PERMITS	REGISTRATION	72623	
	AIR NEW SOURCE PERMITS	REGISTRATION	74568	
	AIR NEW SOURCE PERMITS	REGISTRATION	75050	
	AIR NEW SOURCE PERMITS	REGISTRATION	81490	
	AIR OPERATING PERMITS	ACCOUNT NUMBER	HW0013C	
	AIR OPERATING PERMITS	PERMIT	2164	
	AIR OPERATING PERMITS	PERMIT	2165	
	AIR OPERATING PERMITS	PERMIT	2166	
	AIR OPERATING PERMITS	PERMIT	1440	
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW381	
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW067	
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW068	
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW219	
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW325	
	WASTEWATER	PERMIT	WQ0002484000	
	WASTEWATER	PERMIT	TPDES0095869	
	WASTEWATER	PERMIT	TX0095869	
	STORMWATER	PERMIT	TXR157330	
	INDUSTRIAL AND HAZARDOUS WASTE COMPLIANCE PLANS	PERMIT	50254	
	IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30131	

Location: Spur 119 3 mi NE of, Borger, TX

Rating Date: 9/1/2006 Repeat Violator: NO

TCEQ Region: REGION 01 - AMARILLO

Date Compliance History Prepared: July 05, 2007

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: July 02, 2002 to July 02, 2007

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Lindsey Jones Phone: 512-239-4930

### Site Compliance History Components

- |                                                                                              |     |
|----------------------------------------------------------------------------------------------|-----|
| 1. Has the site been in existence and/or operation for the full five year compliance period? | Yes |
| 2. Has there been a (known) change in ownership of the site during the compliance period?    | No  |
| 3. If Yes, who is the current owner?                                                         | N/A |
| 4. If Yes, who was/were the prior owner(s)?                                                  | N/A |
| 5. When did the change(s) in ownership occur?                                                | N/A |

### Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

Effective Date: 08/12/2003

COURTORDER

Classification: Moderate

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.122(a)  
40 CFR Part 63, Subpart G 63.117(a)

40 CFR Part 63, Subpart G 63.152(b)

Description: Failed to submit NOCs for unit 45.

Classification: Minor

Citation: 40 CFR Part 63, Subpart H 63.182(c)

Description: Failed to timely submit NOCs for sulfolane chemical group.

Classification: Minor

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.182(d)

Description: Failed to submit complete semiannual reports for 1995-1999.

Classification: Moderate

Citation: 40 CFR Part 63, Subpart R 63.422(a)

Description: Failed to timely notify trucking company of each non-vapor tight gasoline tank loaded.

Classification: Moderate

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT Q 63.422(d)

Description: Failed to have thermal oxidizer operational by compliance date of 12/15/97.

Classification: Minor

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT Q 63.428(e)

40 CFR Part 63, Subpart R 63.424(b)

Description: Monthly leak detection records for 1998 and 1999 were incomplete;

Classification: Moderate

Citation: 40 CFR Part 63, Subpart R 63.427(b)

Description: Failed to maintain a temperature of 1240 degrees F in the thermal oxidizer during the loading process.

Classification: Minor

Citation: 40 CFR Part 63, Subpart R 63.428(b)

Description: Annual certification report for tightness of cargo tank were incomplete.

Classification: Minor

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT Q 63.428(f)

Description: NOCs submitted for leak equipment was incomplete.

Classification: Minor

Citation: 40 CFR Part 63, Subpart R 63.428(g)

Description: Failed to have available documents to support the 5 leaks reported in the semiannual report dated 7/30/99

Classification: Minor

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT Q 63.428(h)

Description: Incomplete excess emission report dated 7/30/99.

Effective Date: 11/06/2005

ADMINORDER 2005-0704-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(c)(9)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: General Condition No. 1 PERMIT

Description: Failed to operate the North Flare (EPN FL-1) in the manner designed to prevent the release of unauthorized emissions during Incident No. 48675. Since this emissions event was foreseeable and avoidable, and the air pollution control equipment was not operated in a manner consistent with good practice for minimizing emi

Effective Date: 11/06/2005

ADMINORDER 2004-0231-AIR-E

Classification: Major

Citation: 30 TAC Chapter 116, SubChapter G 116.715(b)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 21918 PERMIT  
Special Condition 2 PERMIT

Description: Chevron Phillips Chemical Company LP, Philtex Ryton Plant failed to meet the plant wide SO2 emission CAP of Flexible Permit no. 21918, during emission testing of the North H2S Flare (FL-1), the South HC Flare (FL-2) and the Sulfolene Flaker Scrubber Stack (M2A) from July 9, 2003 through July 18, 2003.

Effective Date: 02/20/2006

ADMINORDER 2005-0094-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: General Condition No. 1 PERMIT

Description: Failed to maintain an emission rate below represented levels during Incident No. 39918. Since these emissions were avoidable and reported late the respondent failed to meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: General Condition No. 1 PERMIT

Description: Failed to maintain an emission rate below represented levels during Incident No. 40338. Since these emissions were avoidable the respondent failed to meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to submit the initial report for Incident No. 39918 within 24 hours after discovery.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to identify all compounds known to have been released during Incident No. 42118 on the final report.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: General Condition No. 1 PERMIT

Description: Failed to maintain an emission rate below represented levels during Incident No. 42118. Since these emissions were incompletely reported the respondent failed to meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222.

Effective Date: 04/29/2006

ADMINORDER 2005-1638-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition No. 2 PERMIT

Description: Failed to comply with permitted emissions limits.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition No. 2 PERMIT

Description: Failed to comply with permitted emissions limits.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition No. 17.C. PERMIT

Description: Failed to keep complete records.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition No. 32 PERMIT

Description: Failed to control vapors from a loading operation.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition Nos. 35.F. and 35.I. PERMIT

Description: Failed to properly repair and monitor fugitive emission components in volatile organic compound ("VOC") service

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition No. 46 PERMIT

Description: Failed to use data required by the permit in emissions calculations.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.146(5)(C)[G]  
30 TAC Chapter 122, SubChapter B 122.146(5)(D)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: General Terms and Conditions OP

Description: Failed to include all instances of deviations in a report.

Effective Date: 05/12/2006

ADMINORDER 2004-0958-AIR-E

Classification: Moderate

Citation: 5C THC Chapter 382, SubChapter A 382.085(a)

Description: Failed to comply with the statutory prohibition on emission of unauthorized air contaminants during Incident No. 33602.

Classification: Moderate

Citation: 5C THC Chapter 382, SubChapter A 382.085(a)

Description: Failed to comply with the statutory prohibition on emission of unauthorized air contaminants during Incident No. 33418.



Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to submit the initial upset report for Incident No. 33418 in a timely manner.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.110  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
40 CFR Part 63, Subpart A 63.11(b)(5)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 2 PERMIT

Description: Failed to maintain an emission rate below the plant-wide maximum allowable emission limits of 45.03 lbs/hr of 1,3-butadiene during Incident No. 38501.

Classification: Major

Citation: 30 TAC Chapter 113, SubChapter C 113.110  
30 TAC Chapter 116, SubChapter G 116.715(a)  
40 CFR Part 63, Subpart F 63.104(b)[G]  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC NO. 6 PERMIT

Description: Failed to monitor Unit 45 cooling tower water associated with the heat exchanger.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130  
30 TAC Chapter 116, SubChapter G 116.715(a)  
40 CFR Part 63, Subpart A 63.11(b)(5)  
40 CFR Part 63, Subpart H 63.172(d)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC NO. 6 PERMIT

Description: Failed to ensure that the emission control device is operational during the venting of Hazardous Air Pollutants.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130  
30 TAC Chapter 116, SubChapter G 116.715(a)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.182(d)(2)(i)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC NO. 6 PERMIT

Description: Failed to accurately report the number of valves monitored in August and November of 2003 on the semiannual report for the period of July 1 through December 31, 2003.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.230  
30 TAC Chapter 116, SubChapter G 116.715(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT XX 60.502(e)(3)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT XX 60.502(e)(4)  
40 CFR Part 63, Subpart R 63.422(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC NO. 6 PERMIT

Description: Failed to cross-check the tank identification numbers (Trailers Groendyke No. 356, BAFU 888703-6, and NATX 36035) with the tank vapor tightness documentation, and failed to notify the owners of trucks with invalid truck tightness documentation within the required time frames after the tanks were loaded.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.230  
30 TAC Chapter 116, SubChapter G 116.715(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT XX 60.502(e)(5)  
40 CFR Part 63, Subpart R 63.422(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC NO. 6 PERMIT

Description: Failed to assure that a nonvapor-tight tank (Groendyke No. 35, loaded on July 10 and August 25, 2003) would not be reloaded before obtaining vapor tightness documentation.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.230  
30 TAC Chapter 116, SubChapter G 116.715(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.113b(a)  
40 CFR Part 63, Subpart R 63.425(d)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC NO. 6 PERMIT

Description: Failed to conduct a visual inspection of the internal floating roof and the seal of Tank H-6 after the tank was emptied on February 20, 2003.

Effective Date: 07/22/2006

ADMINORDER 2006-0189-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)[G]  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: The facility failed to obtain an authorization for the unauthorized emissions during the incident No. 67916.

See addendum for information regarding federal actions.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1	07/16/2002	(216904)	38	01/12/2004	(259367)
2	08/12/2002	(216906)	39	01/12/2004	(259565)
3	09/09/2002	(216909)	40	01/20/2004	(320189)
4	10/25/2002	(216912)	41	01/30/2004	(261502)
5	11/15/2002	(216914)	42	01/30/2004	(261425)
6	12/13/2002	(216917)	43	01/30/2004	(261511)
7	01/13/2003	(216919)	44	02/13/2004	(320178)
8	02/06/2003	(216892)	45	02/27/2004	(264406)
9	03/06/2003	(216895)	46	03/04/2004	(263430)
10	03/28/2003	(28321)	47	03/16/2004	(250901)
11	03/28/2003	(28673)	48	03/16/2004	(320179)
12	04/09/2003	(216898)	49	03/26/2004	(266447)
13	04/22/2003	(34206)	50	03/26/2004	(266444)
14	04/22/2003	(34200)	51	03/26/2004	(266437)
15	04/22/2003	(34204)	52	04/16/2004	(320180)
16	04/22/2003	(34209)	53	05/24/2004	(362754)
17	05/19/2003	(320181)	54	06/07/2004	(362755)
18	06/06/2003	(320182)	55	06/16/2004	(266883)
19	07/07/2003	(320183)	56	06/16/2004	(274162)
20	07/08/2003	(126195)	57	06/16/2004	(266957)
21	08/05/2003	(147327)	58	07/12/2004	(362756)
22	08/05/2003	(147335)	59	07/16/2004	(281204)
23	08/05/2003	(147317)	60	07/16/2004	(281245)
24	08/12/2003	(320184)	61	07/19/2004	(281318)
25	08/14/2003	(149297)	62	08/07/2004	(281128)
26	08/21/2003	(150748)	63	08/12/2004	(288970)
27	08/29/2003	(153034)	64	08/20/2004	(362757)
28	09/11/2003	(320185)	65	09/02/2004	(291233)
29	10/17/2003	(320186)	66	09/02/2004	(291242)
30	11/12/2003	(253161)	67	09/07/2004	(291422)
31	11/12/2003	(253165)	68	09/08/2004	(291216)
32	11/12/2003	(253166)	69	09/09/2004	(362758)
33	11/19/2003	(320187)	70	10/08/2004	(362759)
34	12/16/2003	(320188)	71	10/15/2004	(337419)
35	01/09/2004	(255887)	72	10/15/2004	(337435)
36	01/09/2004	(256581)	73	10/15/2004	(337438)
37	01/09/2004	(256582)	74	10/16/2004	(335621)

75	11/05/2004	(339445)	138	12/15/2006	(534378)
76	11/16/2004	(387907)	139	12/20/2006	(534635)
77	12/28/2004	(340368)	140	01/04/2007	(535636)
78	12/28/2004	(340456)	141	01/31/2007	(538435)
79	12/29/2004	(345469)	142	02/26/2007	(541686)
80	01/05/2005	(387908)	143	02/27/2007	(541900)
81	01/07/2005	(346409)	144	02/27/2007	(541861)
82	01/07/2005	(346404)	145	03/09/2007	(542571)
83	02/07/2005	(425539)	146	03/09/2007	(542559)
84	02/16/2005	(350931)	147	03/23/2007	(554148)
85	03/03/2005	(345470)	148	03/26/2007	(553818)
86	03/03/2005	(372701)	149	03/26/2007	(553892)
87	03/03/2005	(372692)	150	04/11/2007	(556514)
88	03/03/2005	(372687)	151	04/11/2007	(556504)
89	03/14/2005	(425540)	152	04/11/2007	(556516)
90	04/13/2005	(425541)	153	04/13/2007	(556570)
91	05/16/2005	(425542)	154	04/13/2007	(556572)
92	06/02/2005	(394562)	155	04/13/2007	(556569)
93	06/06/2005	(425543)	156	04/30/2007	(556728)
94	06/17/2005	(396391)	157	05/17/2007	(555906)
95	07/22/2005	(446091)	158	06/01/2007	(561465)
96	08/05/2005	(446092)			
97	08/26/2005	(400663)			
98	09/07/2005	(446093)			
99	09/08/2005	(431180)			
100	09/08/2005	(431139)			
101	09/08/2005	(431163)			
102	10/11/2005	(478290)			
103	11/10/2005	(478291)			
104	12/15/2005	(478292)			
105	01/05/2006	(451253)			
106	01/05/2006	(451244)			
107	01/05/2006	(451257)			
108	01/23/2006	(478293)			
109	02/06/2006	(478288)			
110	02/13/2006	(455043)			
111	02/16/2006	(435821)			
112	02/16/2006	(454969)			
113	03/10/2006	(478289)			
114	03/13/2006	(458844)			
115	03/23/2006	(459163)			
116	04/20/2006	(504534)			
117	04/25/2006	(463313)			
118	04/25/2006	(463322)			
119	04/25/2006	(463321)			
120	05/08/2006	(504535)			
121	05/22/2006	(467041)			
122	05/25/2006	(463016)			
123	06/07/2006	(526852)			
124	08/04/2006	(526854)			
125	08/18/2006	(509410)			
126	09/06/2006	(526853)			
127	09/18/2006	(526855)			
128	10/03/2006	(514879)			
129	10/03/2006	(514853)			
130	10/03/2006	(513315)			
131	10/03/2006	(513316)			
132	10/03/2006	(514870)			
133	10/03/2006	(513312)			
134	10/06/2006	(550824)			
135	10/16/2006	(515500)			
136	10/31/2006	(517537)			
137	11/03/2006	(550825)			

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date	06/30/2003	(320183)		
Self Report?	YES		Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date	03/10/2004	(250901)		
Self Report?	NO		Classification:	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a)			
Description:	The review of information for two incidents reported by Chevron-Phillips indicated that the facility was in violation of the provisions of the New Source Review (NSR) permit No. 21918 by failing to satisfy the criteria specified in the provisions of §101.222.			
Date	06/30/2004	(362756)		
Self Report?	YES		Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date	03/23/2006	(459163)		
Self Report?	NO		Classification:	Minor
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)			
Rqmt Prov:	PERMIT Effluent Limitations and Monitoring			
Description:	Failure to meet effluent limitations for pH, at outfall 001.			
Date	04/26/2006	(463322)		
Self Report?	NO		Classification:	Minor
Citation:	30 TAC Chapter 331, SubChapter D 331.65(b)(3)[G]			
Rqmt Prov:	PERMIT XI. Additional Requirements E.			
Description:	Failure to submit the WDW-219 Injection Zone Annual Report for the operating year 2005, by January 20, 2006, as required by 30 TAC 331.65.			
Date	04/26/2006	(463321)		
Self Report?	NO		Classification:	Minor
Citation:	30 TAC Chapter 331, SubChapter D 331.65(b)(3)[G]			
Rqmt Prov:	PERMIT XI. Additional Requirements E.			
Description:	Failure to submit the WDW-068 Injection Zone Report for the operating year 2005 by January 20, 2006, as required by 30 TAC 331.65.			
Date	04/26/2006	(463313)		
Self Report?	NO		Classification:	Minor
Citation:	30 TAC Chapter 331, SubChapter D 331.65(b)(3)[G]			
Rqmt Prov:	PERMIT XI. Additional Requirements			
Description:	Failure to submit the WDW-067 Injection Zone Annual Report for the operating year 2005 by January 20, 2006, as required by 30 TAC 331.65.			
Date	05/25/2006	(463016)		
Self Report?	NO		Classification:	Moderate
Citation:	40 CFR Part 60, Subpart Kb 60.112b(a)(1)(i)			
Description:	The facility failed to comply with the provisions of Subpart Kb standards.			
Self Report?	NO		Classification:	Moderate
Citation:	40 CFR Part 60, Subpart A 60.18(c)(2) 40 CFR Part 60, Subpart Kb 60.112b(a)(3)[G]			
Description:	The facility failed to comply with the provisions of Subpart Kb standards.			
Self Report?	NO		Classification:	Moderate
Citation:	40 CFR Part 60, Subpart VV 60.482-2[G]			
Description:	The facility failed to comply with the provisions of Subpart VV.			
Self Report?	NO		Classification:	Moderate
Citation:	40 CFR Part 60, Subpart VV 60.482-5[G]			
Description:	The facility failed to comply with the provisions of Subpart VV.			
Self Report?	NO		Classification:	Moderate
Citation:	40 CFR Part 60, Subpart VV 60.482-6[G]			
Description:	The facility failed to comply with the provisions of Subpart VV.			

Self Report? NO Classification: Moderate  
Citation: 40 CFR Part 60, Subpart VV 60.482-7[G]  
Description: The facility failed to comply with the provisions of Subpart VV.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
Description: The facility failed to comply with the provisions of the specila condition No. 35 of the permit number 21918 by failing to monitor valves associated with the closed vent system for the North Flare.

Date 12/20/2006 (534635)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 106, SubChapter T 106.454(3)(B)[G]  
Description: failure to keep cold solvent cleaner lid closed  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 106, SubChapter T 106.454(1)(E)  
Description: failure to label cold solvent cleaner  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
Description: failure to test mercaptan loading dock scrubber every five years  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
Description: failure to include sulfur compounds in 2005 annual flare test for FL-2  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)  
Description: failure to include deviation in deviation report

F. Environmental audits.

Notice of Intent Date: 03/25/2003 (31565)  
No DOV Associated  
Notice of Intent Date: 02/15/2005 (372352)  
No DOV Associated  
Notice of Intent Date: 02/24/2005 (374234)  
No DOV Associated  
Notice of Intent Date: 09/21/2005 (434811)  
No DOV Associated  
Notice of Intent Date: 06/22/2006 (486718)  
No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A



**Addendum to Compliance History  
Federal Enforcement Actions**

<b>CUSTOMER (Defendant):</b>	<b>CHEVRON PHILLIPS CHEMICAL COMPANY L.P.</b>	<b>CUSTOMER NO.:</b>	<b>CN600303614</b>
<b>REGULATED ENTITY:</b>	<b>PHILLIPS CHEMICAL COMPANY PHILTEX RYTON COMPLEX</b>	<b>REG. ENTITY NO.:</b>	<b>RN102320850</b>
<b>REG. ENTITY ADDRESS:</b>	<b>SPUR 119 EAST</b>		
<b>REG. ENTITY CITY:</b>	<b>BORGER</b>		

**Violations**

<b>EPA CASE NO.:</b>	<b>06-2002-1796</b>	<b>CLASSIFICATION:</b>	<b>MAJOR</b>
<b>ORDER ISSUED DATE (YYYYMMDD):</b>	<b>20030401</b>	<b>STATUTE:</b>	<b>CWA</b> <b>SECT. OF STATUTE:</b> <b>301</b>
<b>ENFORCEMENT ACTION TYPE:</b>	<b>Administrative Penalty Order</b>	<b>CITATION:</b>	<b>CITE PART:</b> <b>CITE SECT.:</b>
<b>CASE RESULT:</b>	<b>Final Order With Penalty</b>	<b>PROGRAM:</b>	<b>NPDES - Other Unpermitted Discharge</b>
		<b>VIOLATION TYPE:</b>	<b>Discharge/Emission/Activity w/out Permit</b>

<b>EPA CASE NO.:</b>	<b>06-2002-1796</b>	<b>CLASSIFICATION:</b>	<b>MODERATE</b>
<b>ORDER ISSUED DATE (YYYYMMDD):</b>	<b>20030401</b>	<b>STATUTE:</b>	<b>SECT. OF STATUTE:</b>
<b>ENFORCEMENT ACTION TYPE:</b>	<b>Administrative Penalty Order</b>	<b>CITATION:</b>	<b>CITE PART:</b> <b>CITE SECT.:</b>
<b>CASE RESULT:</b>	<b>Final Order With Penalty</b>	<b>PROGRAM:</b>	
		<b>VIOLATION TYPE:</b>	<b>Stormwater Overflows</b>





# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
CHEVRON PHILLIPS CHEMICAL  
COMPANY LP  
RN102320850

§ BEFORE THE  
§  
§ TEXAS COMMISSION ON  
§  
§  
§ ENVIRONMENTAL QUALITY

## AGREED ORDER DOCKET NO. 2007-0993-AIR-E

### I. JURISDICTION AND STIPULATIONS

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Chevron Phillips Chemical Company LP ("Chevron Phillips") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and Chevron Phillips appear before the Commission and together stipulate that:

1. Chevron Phillips owns and operates a chemical manufacturing plant on State Highway Spur 119, approximately 3 miles northeast of Borger, in Hutchinson County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and Chevron Phillips agree that the Commission has jurisdiction to enter this Agreed Order, and that Chevron Phillips is subject to the Commission's jurisdiction.
4. Chevron Phillips received notice of the violations alleged in Section II ("Allegations") on or about May 23, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Chevron Phillips of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Forty-Four Thousand Three Hundred Sixty-One Dollars (\$44,361) is assessed by the Commission in settlement of the violations alleged in Section



II ("Allegations"). Chevron Phillips has paid Seventeen Thousand Seven Hundred Forty-Five Dollars (\$17,745) of the administrative penalty and Eight Thousand Eight Hundred Seventy-Two Dollars (\$8,872) is deferred contingent upon Chevron Phillips' timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If Chevron Phillips fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Chevron Phillips to pay all or part of the deferred penalty. Seventeen Thousand Seven Hundred Forty-Four Dollars (\$17,744) shall be conditionally offset by Chevron Phillips' completion of a Supplemental Environmental Project.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and Chevron Phillips have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that Chevron Phillips has implemented the following corrective measures at the Plant:
  - a. Met with operators to discuss importance of proper documentation of Audio, Visual, and Olfactory ("AVO") leak checks in the operator's log by August 24, 2006;
  - b. Submitted corrected semi-annual deviation reports to include the previously omitted deviations by August 24, 2006;
  - c. Increased vent settings for the pressure-maintenance system for Tank No. 95-Y172 closer to the relief valve setting for the tank to prevent venting during normal operation by February 2, 2006; and
  - d. Amended Permit No. 7719A to include emissions from wastewater that were omitted from the previous permit application by July 16, 2007.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Chevron Phillips has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.



## II. ALLEGATIONS

As owner and operator of the Plant, Chevron Phillips is alleged to have:

1. Failed to note the date and time of each AVO check for hydrogen sulfide leaks in the operator's log, in violation of 30 TEX. ADMIN. CODE § 116.115(c); Permit No. 7719A, Special Condition No. 8D; and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from February 15 through 16, 2007. Specifically, the date and time of the AVO inspections were not noted on six inspections between May 23, 2005 and May 5, 2006.
2. Failed to report in writing all instances of deviations to the Executive Director, in violation of 30 TEX. ADMIN. CODE § 122.145(2) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from February 15 through 16, 2007. Specifically, ten deviations were omitted from three semi-annual deviation reports (reporting periods ending August 3, 2005, February 3, 2006, and August 3, 2006). Five of the omitted deviations pertained to recordable emission events, and the other five omitted deviations pertained to the unauthorized release of hydrogen sulfide from wastewater.
3. Failed to obtain permit authorization prior to the construction or modification of a facility which may emit air contaminants, in violation of 30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b), as documented during an investigation conducted from February 15 through 16, 2007. Specifically, Chevron Phillips failed to include the atmospheric pressure-maintenance vent on Tank No. 95-Y172 as an emission source of hydrogen sulfide on New Source Review Permit No. 7719A.
4. Failed to obtain permit authorization prior to the construction or modification of a facility which may emit air contaminants, in violation of 30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b), as documented during an investigation conducted from February 15 through 16, 2007. Specifically, Chevron Phillips failed to include hydrogen sulfide emissions from process wastewater in its New Source Review Permit No. 7719A.

## III. DENIALS

Chevron Phillips generally denies each allegation in Section II ("Allegations").

## IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Chevron Phillips pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Chevron Phillips' compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations, which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Chevron Phillips Chemical Company LP, Docket No. 2007-0993-AIR-E" to:



Financial Administration Division, Revenues Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. Chevron Phillips shall implement and complete a Supplemental Environmental Project ("SEP") in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Seventeen Thousand Seven Hundred Forty-Four Dollars (\$17,744) of the assessed administrative penalty shall be offset with the condition that Chevron Phillips implement the SEP defined in Attachment A, incorporated herein by reference. Chevron Phillips' obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The provisions of this Agreed Order shall apply to and be binding upon Chevron Phillips. Chevron Phillips is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If Chevron Phillips fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, Chevron Phillips' failure to comply is not a violation of this Agreed Order. Chevron Phillips shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Chevron Phillips shall notify the Executive Director within seven days after Chevron Phillips becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Chevron Phillips shall be made in writing to the Executive Director. Extensions are not effective until Chevron Phillips receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against Chevron Phillips in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Chevron Phillips, or three days after the date on which the Commission mails notice of the Order to Chevron Phillips, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

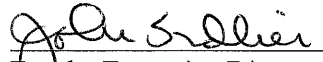




## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

  
\_\_\_\_\_  
For the Executive Director


1/21/2008  
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

  
\_\_\_\_\_  
Signature

27 SEP 2007  
Date

DP DIGMAN  
\_\_\_\_\_  
Name (Printed or typed)  
Authorized Representative of  
Chevron Phillips Chemical Company LP

PLANT MANAGER  
\_\_\_\_\_  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.

10/10/10

10/10/10

10/10/10

10/10/10

**Attachment A**  
**Docket Number: 2007-0993-AIR-E**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Chevron Phillips Chemical Company LP</b>
<b>Payable Penalty Amount:</b>	<b>Thirty-Five Thousand Four Hundred Eighty-Nine Dollars (\$35,489)</b>
<b>SEP Amount:</b>	<b>Seventeen Thousand Seven Hundred Forty-Four Dollars (\$17,744)</b>
<b>Type of SEP:</b>	<b>Pre-approved</b>
<b>Third-Party Recipient:</b>	<b>Texas Association of Resource Conservation and Development Areas, Inc. ("RC&amp;D")- Unauthorized Trash Dump Clean-Up</b>
<b>Location of SEP:</b>	<b>Hutchinson County</b>

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

**A. Project**

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to coordinate with city and/or county governmental officials regarding the clean up of sites where trash has been disposed of illegally. Eligible sites will be limited to those where a responsible party can not be identified and where there is no pre-existing obligation to clean up the site by the owner or the government. Additionally, reasonable efforts must have already been taken to prevent the dumping. SEP monies will be used to pay for the direct cost of collection and disposal of debris. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

**B. Environmental Benefit**

This SEP will provide a discernible environmental benefit by helping rid communities of the dangers and health threats associated with non-regulated trash dumps which contaminate air and water, and harbor disease carrying animals and insects.



C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Texas Association of Resource Conservation and Development Areas, Inc.  
1716 Briarcrest Drive, Suite 510  
Bryan, Texas 77802-2700

**3. Records and Reporting**

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division  
Attention: SEP Coordinator, MC 219  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Texas Commission on Environmental Quality  
Financial Administration Division, Revenues  
Attention: Cashier, MC 214  
P.O. Box 13088  
Austin, Texas 78711-3088

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.



**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

